



Chattanooga Gas Company / 6125 Preservation Drive/ Chattanooga TN 37416

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TN REGULATORY AUTHORITY  
DOCKET ROOM

October 7, 2002

Chairman Sara Kyle  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville TN 37343-0505

Ref: Chattanooga Gas Company Normalization Audit, Docket No. 02-00797

Dear Chairman Kyle,

Chattanooga Gas Company has received the TRA Staff summary findings for the 2001-2002 WNA audit referenced in Docket No. 02-00797.

We inadvertently left out the Company response to the TRA Staff Finding #4, and the Company would like to request that the following response be added to the record as part of Docket No. 02-00797.

Finding #4:

Exception

For bill groups (cycles) 3 and 4 in April, the Company used inaccurate actual heating degree-days in the calculation of the WNA factor.

On March 28, 2002, Chattanooga experienced 12 heating degree-days. Normally, the heating degree-day entry is performed the following day except for weekends. The heating degree-days for Friday, Saturday and Sunday are entered on Monday. On Friday, March 29, 2002, many employees observe (Good Friday), therefore, the actual heating degree-days was not entered for Thursday, March 28, 2002. On the following Monday, the actual degree-days were entered for Friday, Saturday and Sunday, but, the degree day entry for Thursday, March 28, 2002 was not made.

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This error was later discovered by the Company's revenue accounting department, and the degree days for March 28, 2002 was updated, but not before two bill cycles (3 and 4) for April 2002 were billed with the 12 degree-day error in cycle degree days.

Since this error was discovered after these two bill cycles had already been billed. The Company opted not to rebill these customers since the difference would not be substantially material to the impacted customers in addition to the confusion that a re-billing/adjustment would cause.

Chattanooga Gas Company regrets that this response was not included in the original response. Please give me a call at 423-490-4311, if you have any additional questions.

Sincerely,

Earl Burton P.E.  
Manager of Marketing/Rates

Cc: Directors Pat Miller, Deborah Tate and Ron Jones  
Archie Hickerson  
Dan McCormac  
Pat Murphy  
Russell Perkins

## Pat Murphy - Response to item 4

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**From:** "Earl Burton " <eburton@aglresources.com>  
**To:** <Pat.Murphy@state.tn.us>  
**Date:** 10/09/2002 1:55 PM  
**Subject:** Response to item 4

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Pat, Here is CGC's reponse to item 4 that we wish to include with the WNA docket. Earl.